PRIMITIVE ACCUMULATION

Chapters 26-33 Capital Volume 1

BACKGROUND INFORMATION

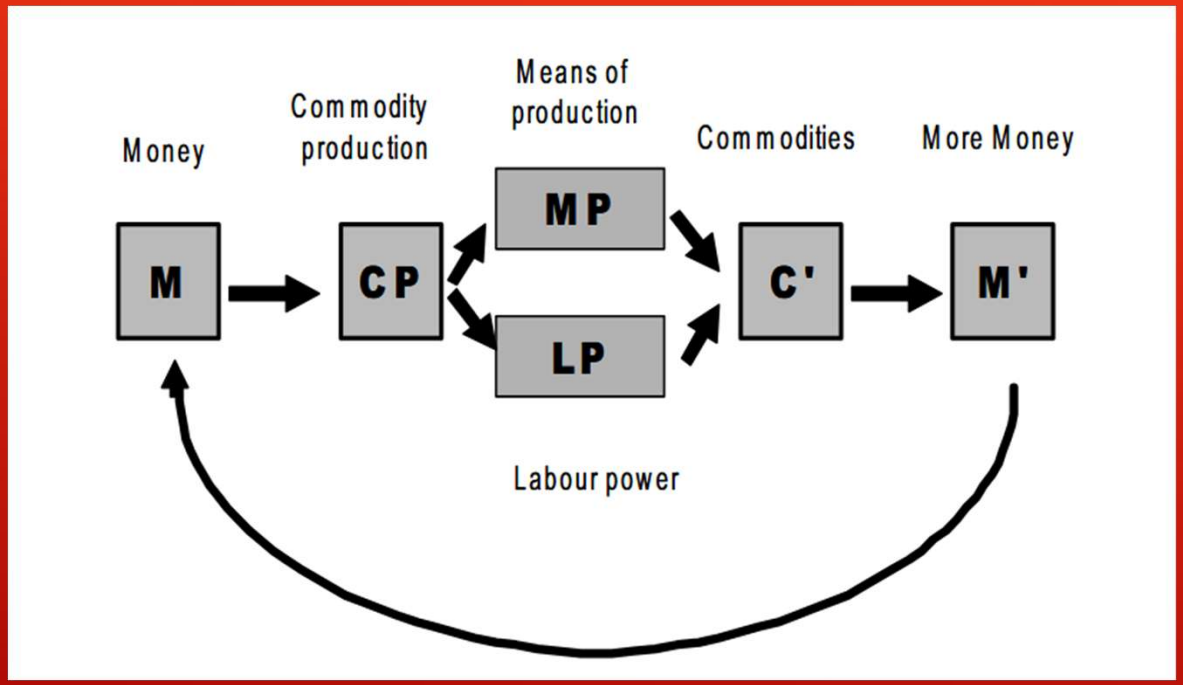
- In feudal society (before capitalism arose in Europe), there are two classes: lords and serfs
- Lords controlled the land.
- Serfs worked the land and gave a part of their production to the lord.
- Manufacture controlled by guilds, which held a monopoly over a portion of manufacture in a town. For example: a guild for glaziers (those who make glass)
- In capitalist society, there are two classes: owning class and working class.
- Owning class controls the means of production, they own the factories, machinery, etc.
- Working class lacks control over their own means of production, must use the capitalist's factories/machinery to make things
- The owning class can extract value from this arrangement

PRODUCTION: CAPITALISM VS. FEUDALISM

Feudalism	Capitalism
Land 'held'	Land owned
Labour service	Rents
Collective organization	Individual decision-making
Labour-intensive	Capital-intensive
Subsistence	Markets
Use value	Exchange value
Prescribed status	Social differentiation into classes

Source: Chapter 11 People, Land, and Time by Peter Atkins <- interesting, talks more about feudalism

PRODUCTION: CAPITALIST CYCLE



WHAT IS PRIMITIVE ACCUMULATION?

- The capitalist cycle requires an initial amount of constant (means of production) and variable capital (labor power)
- For capitalists to turn a profit, constant and variable capital must be acquired.
- Variable capital was acquired cheaply by forcibly inducing desperation in the working class, which causes them to sell their labor at an unfair price
  - Means of inducing desperation: enclosing the commons, setting high price on land, harsh laws on vagabondage/begging
- The cost of constant capital was reduced by theft/slavery/plunder in the colonies and national debt

ENCLOSURE OF THE COMMONS

- Serfdom in England largely disappeared by the end of the 14th century due to the black death.
- Instead, most peasants were effectively "free peasant proprietors", meaning they worked their own land, and had access to the common land, which was used as pasture and a source of timber, turf, and other natural resources.
- There was a rapid rise of cloth manufacturing in the Flemish region of Belgium
- Causes an increased demand/price of wool
- The increased price of wool caused some to push people violently off common land to create pastures
- First, legislation was made against this taking of common land by limiting how much land can be pastures
- Eventually, legislation aided the enclosure of the commons, forcing people into towns

THE FORMATION OF CAPITALISM IN THE SETTLER COLONIES

- Private property in the capitalist sense (used for exploitation) is often conflated with personal private property (property
- Early in the settler colonies (i.e British colonies in America): land was cheap, it was worked on by those who owned it
  - Capitalists had a hard time finding laborers, why would you work for someone else when you can work for yourself.
  - Solution: Colonial governments set an artificially high price on land, forcing new immigrants to work for capitalists, which further enriches the capitalist, allowing them to acquire more capital, which they used to invest in more land, more machinery, and more laborers from Europe; thus, the capitalist cycle continues
  - This is how the capitalist class in settler colonies was created

HARSH PENALTIES OF VAGABONDAGE/BEGGING

- "**Edward VI.:** A statute of the first year of his reign, 1547, ordains that if anyone refuses to work, he shall be condemned as a slave to the person who has denounced him as an idler."
- "**Henry VIII. 1530:** Beggars old and unable to work receive a beggar's licence. On the other hand, whipping and imprisonment for sturdy vagabonds."
- **Elizabeth, 1572:** Unlicensed beggars above 14 years of age are to be severely flogged and branded on the left ear unless some one will take them into service for two years; in case of a repetition of the offence, if they are over 18, they are to be executed…
- Around this time, there was no minimum wage, but a maximum wage for each specific type of labor.
- This was the force required to force the disposed into the wage system, and to create cheap variable capital.

THEFT/SLAVERY/PLUNDER IN THE COLONIES

- The methods used to acquire resources in the colonies were barbaric
- The Puritans of New England set a bounty for the indigenous,
  - In 1744 in the Massachusetts-Bay colony, the bounty for a male scalp above 12 years old was up to 100 pounds, for women and children it was up to 50 pounds
- "Wherever they (Dutch) set foot, devastation and depopulation followed. Banjuwangi, a province of Java, in 1750 numbered over 80,000 inhabitants, in 1811 only 18,000. Sweet commerce!"
  - This is mocking the myth that capitalism was about trade and "civilizing barbarians"
- "The treatment of the aborigines was, naturally, most frightful in plantation-colonies destined for export trade only, such as the West Indies, and in rich and well-populated countries, such as Mexico and India, that were given over to plunder."
- Colonies were used as a mean to export cheap constant capital

NATIONAL DEBT

- A great tool for capitalist nations to raise the funds necessary for colonialism
- Introduction of government bonds
  - The nation benefits can raise the funds needed for war/conquest.
  - The lender benefits because government bonds can be treated essentially the same as cash, but with a yield from interest.
  - The commoner loses, because the nation must raise taxes to pay back the lender
    - The taxation of necessary goods makes the worker more desperate, which also benefits capitalists.

STUDY TIPS

- Capital Study Guide by Harry Cleaver is quite good as supplemental reading
- Can use world history textbooks for historical context as well
- Using AI/internet/dictionary to translate Latin/French phrases, niche words/references, and other confusing things is quite helpful
- Keep in mind: each supplemental resource may have some bias; doesn't mean it's a bad resource but just keep in mind.
  - Different flavors of socialist interpret Marx differently
  - A lot of history textbooks are written from a liberal/capitalist point of view